Minutes of the Special Meeting of the Utah State University Board of Trustees held as a Telephone Conference Call at 2:35 p.m.

MEMBERS PRESENT

Richard L. Shipley Chair
Suzanne Pierce-Moore Vice Chair
Robert L. Foley
Ronald W. Jibson
Paul D. Parkinson
Scott D. Watterson

MEMBER EXCUSED

Brandon B. Brimley
David P. Cook
Douglas S. Foxley
David Johnson III

UNIVERSITY REPRESENTATIVES PRESENT

Stan L. Albrecht President
John DeVilbiss Executive Director of Public Relations and Marketing
Sydney M. Peterson Chief of Staff and Secretary of the Board of Trustees
Mira G. Thatcher Secretary

MEMBERS OF THE MEDIA PRESENT

Kim Burgess The Herald Journal
Jason Williams KVNU Radio

Chairman Shipley conducted the meeting.
I. Proposal from Utah State University for a Tier II Tuition Rate Increase

Trustees received a proposal from Utah State University for a Tier II tuition rate increase (Appendix A).

President Albrecht reviewed the Tier II tuition process which was initially approved in 2001. Before that time, tuition was set by the Board of Regents and was uniform for all institutions in the state. During a difficult economic time, the Legislature granted approval for Tier II tuition to be kept by individual campuses. The requests for Tier II tuition are different for each campus. Institutions are required to advertise, hold an open hearing with students, and provide opportunity for students to respond. President Albrecht said a meeting was held at USU on March 23, and approximately 20 students attended. Students were given information about the amount of funding needed and what it would be used for. The history of Tier II tuition was reviewed, and a summary was given of initiatives that have been funded in the past.

A comparison of USU’s tuition with that of peer institutions was presented at the meeting. Of 20 institutions in the western United States, USU’s tuition is second to the lowest. Tuition at the University of Wyoming is lower, but they receive substantial subsidies from the oil and gas industry. USU also has the second to the lowest non-resident undergraduate tuition. Non-resident undergraduate tuition and fees at USU are approximately $11,000. The University of California Davis has the highest tuition at approximately $29,000, followed by Colorado State at approximately $21,500.

President Albrecht stated that the current budget cuts were also discussed with the students during the public meeting. It was pointed out that USU is funded 68% by state tax funds, and 32% by tuition funds. The cuts have been taken from the state funding portion of the budget. The one-time cuts were addressed primarily through the mandatory furlough, through a modest reduction in force, and through some cuts to units. Some Tier II tuition dollars will be applied to protect some of the core programs. The increase in tuition is a very small portion of the state budget cut.

President Albrecht said funding of approximately $3.3 million needs to be raised through Tier II tuition. Priority funding needs were described to the students as follows:

1. Address the state budget cut.
2. Five-year commitment to increase operating budgets (there had not been an increase in operating budgets in approximately 20 years).
3. Continuing commitment to the Library – primarily for the electronic journal program.
4. Globalization initiative which creates internship opportunities and study abroad opportunities for students.
5. Faculty support – which will provide salary increases for faculty who are successful in the tenure and promotion process.

6. Student initiatives which are identified by students.

Students were informed that Tier I tuition is set by the Board of Regents. The state requires that 25% of compensation increases be covered by Tier I tuition, but there will be no compensation increases this year. Therefore, the Regents are recommending that half of the increase go to student need-based aid and half to critical campus needs such as fuel and power.

President Albrecht stated that the range considered for Tier II tuition was between 4% and 8%. The University of Utah will propose an 8.5% Tier II tuition increase, and most of the other institutions in the state are increasing between 7% and 11%. USU, after considering the needs and enrollment projections, recommends a 4.5% Tier II tuition increase for the next academic year for resident, non-resident, undergraduate, and graduate students. The Tier I state increase at 1% is $19.60. The Tier II tuition increase at 4.5% is approximately $85. This increase does not include the newly approved athletics fee. According to President Albrecht, even including the fee for athletics, USU’s tuition and fees are well below the University of Utah and probably below the average total increase for other colleges and universities in the state.

In response to a question from Trustee Watterson, President Albrecht stated that enrollment applications have increased by 13%. They are projecting a conservative 1% to 1.5% actual enrollment increase.

Trustee Parkinson pointed out that it is very positive that USU is second lowest in tuition rates compared with peer institutions, and still is proposing only a 4.5% Tier II tuition increase compared to 8% for the University of Utah. He hoped the media would report these figures – given the high quality of education students receive at USU while paying lower tuition.

President Albrecht said USU stresses access and opportunity. USU maximizes opportunities for those students who want to attend but have economic needs.

Trustee Watterson expressed appreciation to President Albrecht and the administration for their conscientious concern about the financial burden students are experiencing. President Albrecht expressed appreciation to the Aggie community for their willingness to help in these challenging times.

**Action:** Trustee Watterson moved approval of Resolution 09-3-1a the proposal from Utah State University for a Tier II Tuition Rate Increase (Appendix A). Trustee Jibson seconded the motion, and the voting was unanimous in the affirmative.
President Albrecht stated that the proposal will be considered by the Board of Regents on March 27. He expressed appreciation to the Trustees for their support and the great job they do as members of the Board.

The Special Meeting adjourned at 3:45 p.m.

Richard L. Shipley, Chairman

Sydney M. Peterson
(Minutes taken by Mira G. Thatcher)

10 April 2009
Date Approved